

PTA Financial Review/Audit Committee Report Form

Fiscal Year: _____, 20____ to _____, 20____

for Account #: _____ which is the **Checking, Savings, Other-**_____ (circle one)

at: _____ (Name of institution)

Signers on this account: 1) _____ 2) _____ 3) _____

PTA Unit Name _____ Council _____ Region _____

1. Beginning account balance
[should agree with prior year Fiscal Year-End (FYE) balance – line 9] \$ _____
2. Add: receipts (deposits) during current fiscal year (+) \$ _____
3. Subtotal (add lines 1 & 2 together) = \$ _____
4. Subtract: Disbursements (expenses) or transfers during current fiscal year(-) \$ _____
5. Balance on hand at end of fiscal year (subtract line 4 from line 3) = \$ _____

***** Reconciliation to Bank Statement Balance *****

6. Balance per Bank Statement as of FYE Date: _____ \$ _____
7. Subtract: total outstanding checks (-) \$ _____
8. Add: total outstanding deposits (+) \$ _____
9. Balance on hand (should match line 5) = \$ _____

NOTE: Amounts on line 5 and line 9 should be the same.

Date of Audit: _____

We have examined the books of the treasurer of _____ (local unit name) _____ PTA and find them to be
(Please choose one of the following to complete the sentence):

- correct
- incomplete
- substantially correct with the following adjustments:

- incorrect

Committee Member's Signature	Committee Member's Signature	Committee Member's Signature
President's Signature	Treasurer's Signature	Date

Email or mail the completed Financial Review report and supporting documentation to the Colorado PTA office. The report should be read by a member of the Financial Review Committee or the Secretary at the first general membership meeting of the new school year.



Getting ready and being prepared for the Financial Review!

For clarification purposes, a financial review represents an internal process performed by two or more members of the Finance Committee or their designees. An audit represents an extensive external process performed by a certified public accounting (CPA) firm for a fee.

The first step in the financial review process should be the appointment of Audit Committee. This committee should be made up of members who do not have signature authority over the bank account nor are a relative to a person with signature authority. Check with your bylaws for any additional requirements.

Financial records should be put in order for the financial review shortly before the end of the term of office or the end of the fiscal year. The outgoing treasurer cannot pay bills after the books are closed for the financial review. Upon assuming office, the incoming treasurer may deposit funds in the PTA bank account. It is recommended that during the financial review process, expenditures within an adopted budget be limited to those of an emergency nature. The financial review should be completed as quickly as possible.

The treasurer shall deliver the following to the Audit Committee:

- A copy of the last financial review report
- Checkbook and canceled checks
- Bank statements and deposit receipts
- Treasurer's book or ledger
- The annual financial report
- Itemized statements and receipts of bills paid
- Check requests
- Copies of board, executive committee, and association minutes that would include an **adopted budget, as well as any amendments that were approved during the year**
- Current bylaws and standing rules
- Any other information requested by the Audit committee

Financial Review Procedures

1. Start the financial review with the records posted after the last audit. Check to see if the amount shown on the bank statement corresponds to the starting balance recorded in the checkbook and ledger.
2. Complete a sample test of transactions. The size of this sample should be based on the size of the association. If mistakes are found, the sample should be broadened to take in more transactions. It may be deemed necessary to review all the transactions of a PTA. You should consider retaining the services of an external auditor if nearly all of the transactions are reviewed due to errors or concerns regarding accuracy.

Some items to look for:

- Monthly bank reconciliation conducted by a non signer on the accounts
 - Unexplained reconciling items
 - Unusual endorsements on checks
 - A match of check endorsements to payees
 - Disbursements not supported by invoices or other documentation
 - Blank checks secured in a safe place
 - Deposit ticket dates timely with dates received by bank
 - Timeliness of deposits based on known dates of events
 - All invoices paid by check and not cash
3. Make certain that state and national portions of the membership dues have been kept separate from other receipts and were sent to the state office. If not, inform the President and the Treasurer to remit any outstanding amounts immediately to the state office.
 4. Make certain that money collected for a specific purpose (special projects, gifts, scholarship funds, council dues, etc.) has been so disbursed.
 5. Check the treasurer's reports and annual report for accuracy.
 6. After any errors have been corrected by the treasurer, and the president is satisfied that the financial accounts are correct, sign and date the annual report using a different color ink: "Examined and found correct. (Name), (Date)."
 7. If all is in order, the Audit Committee completes the Financial Review/Audit Committee Report and each member of the committee signs it. Then the presiding President and Treasurer signs it too.
 8. The Audit Committee also must submit a report in the event that there are not adequate records available to conduct a proper accounting of the association's funds.
 9. The financial review must be officially adopted by the association and must be included in a completed annual report covering the association's entire fiscal year. If the report states that additional information and verification is needed, the requested information should be provided by the treasurer.
 10. If the validity of the financial review is questioned, an independent certified public accountant (CPA) should be engaged. At any time during the process, the state PTA may be contacted for information or assistance.